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AGRICULTURAL COOPERATION

October 19, 1929

Vol. VII, No. 21.

TURKEY MARKETING IN THE MOUNTAIN STATES

Approximately sixty cooperatives in the Mountain States will market between 400 and 500 car loads of turkeys this fall. As these cars will contain from 1,800 to 2,400 birds each, not less than three-quarters of a million turkeys will be handled by the sixty associations. Most of the turkeys will be included in pools for the Thanksgiving trade or for the Christmas holiday trade.

Cooperative turkey marketing in the Mountain States had its beginning with the Big Horn Cooperative Marketing Association, Basin, Wyo., about 1922. In 1923 four other associations began handling turkeys on a cooperative basis.

Some of the associations are small groups of producers who supply only enough turkeys for a single carload shipment. Three of the associations aim to serve most of the turkey producers of entire states.

Several of the associations are deducting a fraction of a cent per pound on turkeys handled, for the purpose of accumulating a fund for strengthening and expanding the sales service.

LEGAL, ECONOMIC, AND ORGANIZATION INFORMATION
COLLECTED BY THE DIVISION OF COOPERATIVE MARKETING
BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C.

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A CORRECTION

An overstatement as to the value of livestock marketed through the Ohio Live Stock Cooperative Association occurs in the October 5 issue of this publication, in an item entitled "Cooperative Shipments Increase in Ohio," p. 399. The animals sold during the first eight months of 1929 had a market weight of 89,153,745 pounds, compared with 72,165,207 pounds for the same months of 1928. This was a gain of 16,988,538 pounds, 23.5 per cent. The market value of the animals was \$9,860,088 for 1929, and \$7,100,138 for 1928, a gain of \$2,759,950, 38.9 per cent.

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WOOL MARKETED COOPERATIVELY, 1920-1928

From six million to twenty-five million pounds of wool has been marketed cooperatively in this country each year since 1920. The largest quantities of wool marketed through cooperative channels were handled during the years 1925 and 1926. In the latter year the cooperative organizations received and sold more than 25,000,000 pounds. Of the associations that report both number of consignors and quantity of wool delivered for the past nine years, the 1925 and 1927 reports show the largest number of pounds per consignor, the averages per consignor for those years being 913 and 1,017 pounds respectively. In 1920 the average was 324 pounds per consignor, and in 1928, 670 pounds.

At the close of the 1928 season, 55 associations reported 16,541 consignors; 62 associations received 15,733,239 pounds of wool. Total sales for 55 associations amounted to \$2,460,439. In 1928, associations in Oregon, Ohio, Montana, and Colorado led as regards quantities consigned.

Independently operated associations covering in some instances a whole state or parts of adjoining states, are handling the larger part of the cooperative business. In New York State wool is marketed cooperatively through a federation with about 25 affiliated units. In Massachusetts a group of eight county pools is operating under the leadership of the State Department of Agriculture. Tennessee wool is marketed by 32 county units, and Virginia wool by 18 units, operating under extension service leadership.

A considerable portion of the cooperative wool of the country is sold through a sales agency operating on the Boston market.

The number of consignors of wool, the quantity of wool consigned and the sales value of the wool marketed for the past nine years are given in the following table:

Year	Consignors (Number)	Quantity (Pounds)	Sales Value
1920	(12)*17,869	(12) *6,101,042	(14)*\$ 2,054,478
1921	(19) 21,470	(23) 12,579,634	(27) 3,757,062
1922	(28) 15,151	(40) 10,119,991	(33) 4,010,913
1923	(33) 21,868	(45) 18,024,306	(43) 8,660,932
1924	(39) 21,347	(53) 16,634,634	(53) 6,952,166
1925	(45) 24,391	(52) 24,015,984	(52) 9,391,341
1926	(48) 26,464	(55) 25,026,935	(55) 7,590,854
1927	(43) 12,854	(54) 21,731,142	(55) 4,796,073
1928	(55) 16,541	(62) 15,738,239	(55) 2,460,439

*Number of associations reporting.

(over)

There has been considerable of a shift in the cooperative marketing of wool since 1920. In that year only 21 per cent of the wool sold through cooperative channels was produced west of the states reaching from Minnesota to Louisiana. The following year 31 per cent of the wool to be marketed cooperatively came from the states occupying the Great Plains area, the Rocky Mountain area, and the Pacific Coast area. In 1922, 41 per cent of the wool was from the western country; in 1923, 51 per cent; in 1924, 55 per cent; in 1925, 69 per cent; in 1926, 70 per cent; and in 1927, 73 per cent. In seven years cooperative wool marketing shifted from the eastern to the western states. From 1927 to 1928 the relative importance of the western states fell from 73 to 65.

The quantity of wool marketed cooperatively per consignor has varied from less than 400 pounds in 1920, to more than 1,000 pounds in 1927. The average quantity for the fifty-odd associations which have reported both number of consignors and pounds of wool for all or part of the years since 1920, is 686 pounds. The averages for the different clips are as indicated in the following table:

Year	Associa- tions*	Consignors	Wool handled	Average per consignor
	(Number)	(Number)	(Pounds)	(Pounds)
1920	10	17,251	5,585,406	323.7
1921	18	21,271	11,134,323	523.4
1922	28	15,151	7,615,424	502.6
1923	33	21,968	14,197,369	646.2
1924	39	21,347	13,160,249	616.4
1925	45	24,391	22,271,500	913.1
1926	48	26,464	23,537,739	889.4
1927	41	12,566	12,781,666	1,017.1
1928	55	16,541	11,089,091	670.4

* Reporting both number of consignors and quantity of wool handled.

The largest number of pounds of wool per consignor for the 1928 clip was reported by the Wyoming Wool Cooperative Marketing Association, McKinley. The quantity was 31,330 pounds. The second largest average, 16,356 pounds, was reported by the Saguache Mutual Wool Association, Saguache, Colo. Some of the other averages were: two associations in Utah, 6,428 pounds; five associations in Montana, 2,387 pounds; North Dakota Cooperative Wool Marketing Association, Fargo, 1,157 pounds; two associations in Texas, 1,404 pounds; four associations in Idaho, 1,118 pounds; the average for the Ohio Wool Growers' Cooperative Association was 486 pounds; and for the group of associations making up the New York State Sheep Growers' Cooperative Association, Inc., it was 361 pounds. Nineteen local associations in Pennsylvania averaged 175 pounds per consignor, and the county pools in Tennessee, 167 pounds per consignor.

APPLE ASSOCIATION DEVELOPS BRAND FOR CHINESE TRADE

With a somewhat smaller tonnage of apples to handle than last year, and increased facilities for handling it, the Yakima Fruit Growers' Association, Yakima, Wash., is making rapid progress in packing the fruit. Fifteen hundred cars had gone out in September, of a total estimated at 3,800 to 4,000 cars. The packing crews with the aid of new sizing machines, pack from 40,000 to 50,000 boxes daily, approximately 60 car loads.

"Big Y" apples are becoming more favorably known in China each year and the association has now developed a Chinese "Big Y" label to be used on shipments to that country. As goods in China are bought very largely by brand or label, this is considered an important step. The association shipped "many thousands of boxes" of apples to that country last year.

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COOPERATIVE MARKETS APPLES, PEARS AND PEACHES

Fruit sales by the Wenatchee District Cooperative Association, Wenatchee, Wash., amounted to \$1,191,093 for the 1928-29 season. Shipments for the year amounted to 1,069 car loads of apples, 25 car loads of pears, 8 car loads of peaches, 500 tons of Bartlett pears, 100 tons of cherries, and 125 tons of apricots.

Ninty-three per cent of the fruit was sold f. o. b., 4 per cent through auctions, and 3 per cent was consigned to agents abroad. More than \$13,000 was expended for advertising. Land, buildings and equipment had a valuation of \$412,345 on June 30, 1929. The association holds \$30,000 of the common stock of the Wenatchee District Agricultural Credit Corporation, also preferred stock to the amount of \$1,940.

The association was formed in 1920 and is now serving 350 fruit growers. Since beginning to operate the association has shipped 11,257 cars of apples, as follows:

<u>Year</u>	<u>Cars</u>	<u>Year</u>	<u>Cars</u>
1921 . .	2,182	1925 . .	1,390
1922 . .	1,966	1926 . .	1,429
1923 . .	1,179	1927 . .	957
1924 . .	1,078	1928 . .	1,076

CITRUS ASSOCIATION HAS OPERATED THIRTY YEARS

For a period of 31 years the Claremont Citrus Association, Claremont, Calif., has been handling oranges for its members and rendering other services. Its shipments for the 1928-29 season totaled 484 cars of 462 boxes each. This included 440 cars of navel oranges, 35 cars of Valencias, and 9 cars of other varieties. For this fruit the association paid the growers \$421,604. Refunds from the Fruit Growers' Supply Company on growers' supplies amounted to \$1,701; on box shook, \$5,813; on the revolving fund for 1920-21, \$9,130; making the total credits to growers, \$438,248.

Packing-house expenses amounted to 43.8 cents per packed box; 3.5 cents was retained as a depreciation reserve, and 1.5 cents for the sinking fund and interest account for the new building. The total retain was 48.8 cents, compared with 55.21 cents last year. Other expenses included precooling and icing 132,192 boxes, 11.57 cents per packed box; picking navels and varieties, 7.85 cents per field box; truck hauling, 40½ per cent of crop, 2.66 cents per field box; and Brogdex treatment, 6.24 cents per packed box.

The association is a local unit of the California Fruit Growers Exchange, Los Angeles, and includes among its assets stock in the Fruit Growers' Supply Company to the amount of \$66,637, and in the Exchange Orange Products Company to the amount of \$6,936. Its own capital assets include: buildings and equipment, \$80,164, and oil tanks, \$2,196, all less depreciation reserve. Capital stock outstanding amounts to \$31,525.

Figures showing the volume of business for a number of the years have been selected from the reports of the association, as follows:

Season	Packed boxes	Fruit sales	Number of members
1916-17	177,099	\$303,544	113
1917-18	236,138	425,198	114
1918-19	64,794	208,022	108
1919-20	166,649	611,736	117
1920-21	146,933	528,695	122
1921-22	239,663	653,849	125
1922-23	-----	300,000	125
1923-24	-----	568,290	125
1924-25	-----	751,564	125
1925-26	-----	1,014,355	125
1926-27	-----	531,126	---
1927-28	185,186	* 739,848	138
1928-29	222,060	* 421,603	---

* Paid members for season's shipments.

COOPERATIVE VEGETABLE MARKETING IN TEXAS

The Rio Grande Valley Vegetable Growers' Association, Rio Hondo, Texas, was formed in 1928 to market vegetables and cotton for its members, and to buy fertilizers, seeds and insecticides. During the 1928 marketing season the association transacted business amounting to \$34,289. In its second year ending August 31, 1929, the sales totaled more than \$100,000. However, owing to heavy operating expenses, the retains from sales were insufficient and the years closed with a deficit of \$2,565.

Seventy-five members, all of whom are farmers, are served by this association which is organized without capital stock as a cooperative enterprise.

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GRAPEFRUIT MARKETING ASSOCIATION IN CALIFORNIA

Packed boxes of grapefruit to the number of 73,340 were marketed by the Imperial Valley Grapefruit Growers, El Centro, Calif., during the 1928-29 marketing season. This fruit was sold for \$202,035 and cull fruit brought an additional \$15,081, making the total receipts from fruit sales \$217,116. Growers were credited with \$189,166, from which the cost of packing was deducted. This expense averaged 78.339 cents per packed box for the season.

This association was formed in 1921. It had share capital of \$46,802 on July 15, 1929. During the 1927-28 year \$11,479 of the surplus was distributed to the growers. About 21.6 per cent of the shipments are for nonmembers.

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COLORADO POTATO EXCHANGE TO SELL WYOMING POTATOES

Wyoming potato growers are planning to market their products through the Colorado Potato Growers' Exchange, Denver. Growers in three sections of Wyoming have organized as locals of the Colorado Exchange. One of these sections is an important table-stock district.

In organizing these local associations the Colorado Potato Growers' Exchange has followed its usual practices of employing no paid solicitors and refusing to operate unless more than 50 per cent of the acreage of the district is signed up. With more than 50 per cent of the tonnage the Exchange becomes a dominating factor in determining price levels, and also is able to operate more economically. In each of three Wyoming sections about 75 per cent of the tonnage is signed.

The Wyoming associations will have the same representation on the board of directors of the Colorado Exchange as do the Colorado locals, and also will have a distinctive brand of their own.

CITRUS ASSOCIATION FINANCES ITS OWN OPERATIONS

The Orange Cove Citrus Association, Orange Cove, Calif., shipped 429 cars of oranges of 462 boxes each, during the 1928-29 season. Of the total shipments 244 cars were navels and 185 cars were Valencias. This is a considerable increase since the first season of operation, 1916-17, when the association shipped 16 cars of navels and 3 cars of Valencias. The association is a local of the California Fruit Growers' Exchange, Los Angeles.

Shipments during the years have been as follows:

Year	Navel oranges shipped	Valencia oranges shipped	Total
	(Boxes)	(Boxes)	(Boxes)
1916-17	7,332	1,451	8,813
1917-18	2,730	1,141	3,871
1918-19	6,433	4,881	11,319
1919-20	14,524	12,471	26,995
1920-21	24,201	18,473	42,674
1921-22	22,211	10,457	32,668
1922-23	22,122	16,968	39,090
1923-24	44,007	16,633	60,640
1924-25	51,559	27,900	79,459
1925-26	57,132	40,228	97,357
1926-27	53,947	31,515	85,462
1927-28	82,120	94,882	177,002
1928-29	112,537	85,929	198,666

The savings on packing house operations were estimated at \$19,798. The expense was approximately 70 cents per packed box, compared with a commercial rate of 80 cents.

Refunds to members during the year included \$11,695 for the packing-savings revolving fund of 1925-26; \$9,336 for the capital-investment revolving fund for 1920-21, 1921-22 and 1922-23; and \$13,474 for the annual refund to growers, a total of \$34,555.

Officers of the association are "firm believers in large reserves and surpluses." Association cash reserves are used for working capital. At the close of the past season the ratio of quick assets to current liabilities was 13 to 1. The association has no debts and has not borrowed any money for building or operation for three years. Improvements made last year to buildings and equipment amounting to \$34,666, were paid for in cash, and at present there is a cash reserve of \$53,047 for conducting next year's business. There are 112 members.

RHODE ISLAND FARMERS HAVE 17-YEAR-OLD MARKET

Market gardeners in the vicinity of Providence, R. I., organized the Providence Market Gardeners' Association, Inc., in 1912, and the following year purchased land in the heart of the City of Providence and established a market. The property was purchased on the basis of a long-time mortgage. Members of the association paid an annual fee of \$3 and rented stalls at a fixed rate of \$40 per year. The members were about equally American, Italian, Portuguese and Armenian. Few figures are available, but from May 1, 1915, to September 1, 1915, members of the association sold 19,516,331 pounds of produce on the market, all raised by members within 12 miles of Providence. "greatly to our advantage over prices attained by the commission houses."

After 17 years of operation the association reorganized early in the present year as the Governor Dyer Cooperative Market, Inc., taking advantage of Rhode Island's new cooperative law which allows more freedom of action to farmers' associations.

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NEW ASSOCIATION FOR MARKETING CALIFORNIA RIPE OLIVES

Articles of incorporation of the California Ripe Olive Distributors, Ltd., San Francisco, were executed on August 16, 1929. This association, which starts with a membership of 30 olive growers, has been formed for the purpose of acting as a sales agency for its membership, developing new outlets for ripe olives, stimulating the demand for the orchard product, and entering into contract with packers of olives for rendering certain processing and marketing services.

The promoters of the association hope that common ground may be found on which both cooperative packers and noncooperative packers can meet for the purpose of working out a joint program for the distribution of ripe olives.

The set-up of the organization provides for marketing agreements between the association and its members, between the association and nonmember packers, and a contract between the association and packers whereby the packers advance a stipulated amount per case for the purpose of a campaign of trade development to be conducted by the association.

It is proposed to advertise California ripe olives as a commodity in various ways and in such markets as will result in an increased demand for this orchard product.

CITRUS FRUIT SOLD FOR A QUARTER MILLION

At the close of the 1928-29 marketing season the members of the Rio Grande Valley Citrus Growers' Association, Mercedes, Tex., received a refund of \$16,035 on packing house charges. This represented a saving in packing expense of 13.85 cents a box. Packing costs were 71.15 cents a box and selling costs 22.35 cents a box, making the total marketing cost 93.5 cents a box.

The association was organized in 1925 to receive, grade, pack, and market grapefruit and oranges for 171 members. It operates packing plants at Mercedes and McAllen, Texas. Total sales for the 1928-29 season amounted to more than a quarter million dollars.

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FIVE MILLION DOLLARS FOR PRUNE GROWERS

A final distribution of about \$580,000 was made in September to prune-grower members of the California Prune and Apricot Growers' Association on 1928 business. Returns have also been made because of the deductions for advance fund A certificates and for interest on the same.

During the year ending June 30, 1929, the final installment covering mortgage notes of the Growers' Packing and Warehousing Association, Inc., was paid. The association had liquidated assets on June 30, of approximately \$1,200,000.

The management of the association estimates that approximately \$5,000,000 will be advanced to growers on the delivery of the 1929 prune crop.

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RHUBARB GROWERS HANDLE THEIR OWN SALES

A recent report from the Central California Rhubarb Growers' Association, San Leandro, Calif., shows sales of \$225,000 in the year ending May 15, 1929, compared with \$200,000 the previous year. The association was organized and incorporated in 1923 and now has 125 members, all farmers.

In 1926 the association undertook to sell its product at auction, with unsatisfactory results. The following year the association did not operate, each member selling his rhubarb locally. The 1928 crop was sold through distributors on a commission basis, and this year the association acted as its own distributor, selling 20 per cent f. o. b. and 70 per cent on consignment.

The rhubarb in this section is raised largely as an inter-crop in young orchards, and the majority of the producers are Portuguese people.

NEW AGENCY TO SELL BEANS FOR TWO POOLS

The Mountain States Bean Growers Associated, Denver, is the new sales agency established by the Colorado Bean Growers' Association, Denver, and the New Mexico Bean Pool, Estancia, N. M., to market the product of both organizations. Details of operation have been completed, officers elected, and the agency is now functioning.

A new high record has been set by the Colorado association by advancing \$3 per hundredweight for pinto beans, \$3.50 for great northern, and \$4 for limas. Handling arrangements have been completed at practically all delivery points in Colorado and Utah, the list being published in a recent number of The Bean Market.

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ILLINOIS GRAIN COMPANY HAS LONG RECORD

Sales of grain during the year ending August 31, 1929, brought the Cissna Park Cooperative Grain and Coal Company, Cissna Park, Ill., the sum of \$299,380. Merchandise sales amounted to \$45,350, making a total of \$344,730. The year closed with a net income of \$7,371, from which the directors declared a 7 per cent dividend on share capital, to be paid September 13.

The Cissna Park Grain and Coal Company was formed in 1907 to operate a grain elevator and buy coal, tile, seeds and feed for the farmers. In 1913 it had 82 shareholders and about 200 patrons; in 1925 the number of shareholders had increased to 156, practically all of whom were farmers.

Figures showing the volume of business for the years for which reports have been received are as follows:

Year ending Aug. 31	Grain sales	Supply sales	Total sales	Net earnings
1913	\$296,205	\$16,498	\$312,703	----
1914	-----	-----	300,000	----
1921	-----	-----	285,000	----
1922	241,889	19,903	261,792	\$ 3,176
1923	351,679	27,054	378,733	10,289
1926	298,032	32,206	330,238	5,555
1928	318,453	42,725	361,178	9,499
1929	299,380	45,350	344,730	7,371

At the close of the last fiscal year the association had a net worth of \$67,028. The authorized capital is \$48,000, of which \$40,000 was outstanding. The surplus fund amounted to \$27,028.

REPORT CONTINUES STUDY OF FARMERS' ELEVATORS

A preliminary report entitled "Summary of Expenses, Incomes, and Margins of Operation of Farmers' Elevators in the Spring Wheat Area, 1926-1927," continues the series of reports covering the five-year study of farmers' elevators in the spring wheat area. This study is being made by the Division of Cooperative Marketing of the U. S. Department of Agriculture with the assistance of the Agricultural Experiment Stations of Minnesota, North Dakota, South Dakota, and Montana. This, the eighth report to be issued, summarizes data for the third year of the study, 1926-27. Copies of the report may be procured from the Division of Cooperative Marketing, Washington, D. C.

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INDIANA WHEAT POOL DECIDES TO HANDLE ALL GRAINS

Having decided to handle all kinds of grain, the Central States Soft Wheat Growers' Association, Indianapolis, Ind., proposes to change its name to the Central States Grain Association, Inc., and to adopt a new contract covering the marketing of wheat, corn, oats, barley, rye, and soy beans. As these changes must be approved by a majority of the membership, the association has mailed to each of the more than 19,000 members a voting ballot and a copy of the new contract.

Provision is made in the new contract for the sale of grain by the producer through the association continuously, except that a grower can withdraw from participation in the association for any specified year, or a member may cancel the contract at the end of any year after five years from date of execution.

The association is given authority to pool or mingle the grain received from the different growers and to classify it by kind, quality, grade, variety, or according to any commercial standard.

The association is also authorized to deduct for freight, handling, storing, grading, and the marketing of the grain, and to deduct two per cent of the gross sales price for the creation of a reserve, to cover organization and educational expenses and to provide for contingencies. Furthermore, the association is authorized to build or acquire grain elevators and to deduct 3 per cent of the gross sales for meeting the costs of such a program. When accumulated deductions for elevators amount to \$25, the association is to issue to the growers certificates of indebtedness in denominations of \$25, these certificates to bear interest at 6 per cent per annum. The association is also authorized to deduct one dollar a year as the subscription price of a paper.

Provision is made in the contract for seasonal pools, monthly pools and daily pools in the discretion of the board of directors. Unless otherwise indicated by growers at the time of delivery, grain will be placed in the seasonal pool.

OPERATING COSTS OF TWENTY-FIVE ELEVATORS

An analysis of the operating costs of 25 farmers' elevators in the winter wheat territory, is presented in a recent number of the Kernel. These elevators are located in southwestern Nebraska, northwestern Kansas, and northeastern Colorado, and the study was made by the Equity Union Auditing Association, McCook, Nebr. This analysis is limited to operating costs. A table prepared by the auditor shows the average cost per elevator, the cost per bushel of grain handled, and the percentage distribution of expenses, as follows:

Element of expense	Average cost per elevator	Average cost per bushel (Cents)	Percentage of total cost
Salaries and labor	\$2,312	1.07	29.89
Extra labor	1,073	.50	13.90
Depreciation	824	.33	10.66
Interest	685	.32	8.86
Taxes	372	.17	4.81
Insurance	422	.20	5.45
Bad debts	230	.11	2.97
Light, heat and power	375	.17	4.85
Repairs and renewals	378	.17	4.89
Supplies	219	.10	2.84
Miscellaneous	842	.38	10.83
Total	\$7,732	3.57	100.00
Average number of bushels handled ... 216,600			

The study shows that there was a wide variation in the costs per bushel, ranging from 1.71 cents to 8.14 cents, with an average of 3.57. However, this is considered only one element of the test of efficiency. Prices paid to the grain growers, profits earned, and general service rendered, must all be taken into account, as well as variations between seasons.

The largest single item was for salaries and labor. Among the different elevators this item ran from \$1,500 to \$6,515, with only a slight relation between the cost of salaries and labor and the volume of business transacted.

Practically every elevator handled some side lines and the expense connected therewith was included under "miscellaneous" which also includes traveling expenses, manager's bond, fees and dues, advertising, legal expenses, etc. These expenses varied from nothing to \$1,837, with an average of \$842.

SURPLUS TEN TIMES SHARE CAPITAL

Butter to the amount of 85,722 pounds was made by the Leader Co-operative Creamery Association, Leader, Minn., during the first five months of the calendar year. Butter sales for the period were \$38,306. In addition, buttermilk sales amounted to \$76. Farm supplies, consisting of mill feed, mineral feed and corn, to the value of \$9,047 were sold to members, also cheese to the value of \$246. Net earnings for the five months were \$270. Patrons were paid an average price of 50 cents a pound for butterfat.

This association was organized in 1916. It holds property valued at \$6,091. Of the \$15,000 of authorized share capital, only \$4,118 was issued, and all of this amount but \$1,036 has been retired. There was a surplus on May 31, 1929, of \$11,153. Shareholders number 76 and patrons 115. Among the assets are certificates of indebtedness of the Land O'Lakes Creameries, Inc., Minneapolis, to the amount of \$1,176.

The Leader association is among the stockholders of the Land O'Lakes Creameries, Inc., it holding shares of both common and preferred stock of the creamery federation.

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CALGARY MILK PRODUCERS AND CONSUMERS COOPERATE

Milk producers and consumers are joining hands in Calgary, Man. The Calgary and District Milk Producers' Association decided it was time to build a milk plant and attend to the distribution of milk in the city, instead of leaving this function to a commercial company. A government loan was secured under the cooperative marketing guarantee act. Then someone conceived the idea of interesting the consumers in the venture, and a plan was evolved by which the consumer might become a shareholder member. Three thousand shares of stock were issued with a par value of \$5 per share. These shares bear 7 per cent interest, no person may hold more than five shares, and they are transferable only at the option of the company.

In addition to the 7 per cent interest, with each purchase of a dollar's worth of milk tickets, the consumer will receive a coupon entitling him to a share in the earnings of the company. Earnings will be computed at the end of each half year and half of the total will be divided among the producers according to their deliveries of milk, and the other half will be distributed to consumers in proportion to their purchases. The new plant is nearly ready for operation, with most of the machinery in place. Orders have been placed for 15 delivery wagons and horses purchased to draw them. Also the required number of producers have contracted to deliver their milk at the new plant.

MISSISSIPPI HAS NEW COTTON ASSOCIATION

Mississippi farmers have established a new cotton cooperative to take the place of the Farm Bureau Cotton Association which suspended business at the beginning of the present season. The new association, chartered September 9, is called the Mississippi Cooperative Cotton Association (AAL.). Its headquarters are at Jackson and it is already receiving cotton. Mississippi banks have been provided with contracts and drafts and have been instructed to advance 11 cents per pound to members on their cotton.

Creditor-members of the old association held a meeting on September 12, reviewed the situation, and voted unanimously to endorse the Mississippi Cooperative Cotton Association (AAL.) and pledge it their full cooperation and support.

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INCREASED COTTON-SEED SALES BY CALIFORNIA COOPERATIVE

More business was handled by the Farm Bureau Planting Cotton Seed Distributors, Bakersfield, Calif., during the 1928-29 season than ever before. This association is concerned with the production and marketing of Acala cotton seed. All Farm Bureau members are eligible to participate in the benefits of the association. The reproduction fields under the control of the association stretch over an area extending 500 miles north and south. The seed from most of the fields is sold through the association, although special arrangements have been made to control the production fields of several organizations growing seed for their own members.

Since the formation of the organization in 1925, more than 3,700,000 pounds of seed have been produced under association control. Seed sales through the association have amounted to about \$132,000 for the four seasons of operation. Total business for the period amounted to about \$136,000. The activities of the association by marketing seasons are indicated by the following figures:

Marketing season*	Seed produced under association control (Pounds)	Sales		
		Cotton seed	Sacks	Total
1925-26	828,432	\$39,082	---	\$39,082
1926-27	634,197	23,557	\$ 870	24,427
1927-28	659,783	30,358	775	31,133
1928-29	1,616,000	39,411	1,912	41,323

* Ending June 30.

PENNSYLVANIA'S LOCAL PURCHASING COOPERATIVES

The results of "A Study of the Business Practices of Farmers' Local Cooperative Purchasing Associations in Pennsylvania" are given in Bulletin 242 of the Pennsylvania State College, State College, Pa. The farmers of the state have marketing problems which are peculiarly local, and this study covers the local or relatively small associations, each of which operates independently and transacts business in one community. Seventy-five local cooperatives were found in the state, also at least 40 local farmer-owned organizations which operate largely on a cooperative basis. The records of these organizations were studied and analyzed to determine various factors affecting the success of the management and business practices. The resultant information is presented with the aid of many tables and charts.

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NEW BOOK ON COOPERATIVE MARKETING

A recent contribution to the subject of cooperative marketing is a volume called "Cooperative Marketing of Agricultural Products," by Newel Howland Comish, professor of economics and sociology in the School of Commerce of the Oregon State College.

The book is designed as a textbook for classes in cooperative marketing and as collateral reading in general courses in marketing agricultural products, as well as a guide for managers and promoters of cooperative organizations. The author states that throughout the book he "has attempted to lay considerable stress on the problems, methods and results of cooperative associations." He has also "included a good deal of descriptive matter . . . in order to lend concreteness to the discussion and to give a better picture of the whole cooperative movement in this country."

Part I. Business Cooperatives, covering more than half of the book, gives a discussion of marketing problems, then brief descriptions of a large number of cooperative associations, arranged in commodity groups. Part II. Special Cooperative Problems, includes consideration of types of associations, common difficulties facing cooperators, problems of price, pooling, advertising, marketing cost, and legal matters. Part III. General Farmers' Organizations, describes briefly the Patrons of Husbandry, the Farmers' Alliance, the American Society of Equity, The Farmers' Educational and Cooperative Union, The American Farm Bureau Federation, and the Non-Partisan League. The concluding section is given to a discussion of the principles of successful cooperative marketing and the progress of the movement.

The work brings the story of the cooperative movement only to about 1925 or 1926.

POLAND'S COOPERATIVES DESCRIBED

Poland's agricultural cooperatives and the work of Dr. Francois Stefczyk are described in some detail in a recent booklet entitled "La Confederation Des Unions Des Cooperatives Agricoles De La Republique Polonaise." The discussion falls under the following headings: development of organization; the Stefczyk banks; the dairy cooperatives; cooperatives of commercial agriculture; the different agricultural cooperatives; the principles of cooperative administration and instruction. The publication contains 51 pages and is illustrated by charts and tables.

Statistics in this publication show the number of cooperatives in Poland in 1924 was 1,747, and in 1928, 3,638; the number of members. 358,354 in 1924 and 757,092 in 1928.

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MANITOBA HAS FISHERMEN'S COOPERATIVE

Fishermen on Lake Winnipeg organized the Manitoba Cooperative Fisheries, Ltd., Winnipeg, in 1928 for collective action in marketing their products. The association has about 400 members, each of whom hires from two to ten fishermen, with an average of four. The first season's work began September 1, 1928, and was completed April 30, 1929. During that period the association handled 6,100,000 pounds of fish, out of a total catch of 14,500,000 pounds. Complete information regarding the financial benefit to members is not available, but reports indicate that on some varieties members of the Pool received better prices than persons outside the Pool.

The association has undertaken to standardize the product, which will be of great advantage to both producers and consumers. Fishermen bring their catch to a collecting station on Reindeer Island. Here it is packed in ice and sent out by boat twice a week to a railroad station.

At the close of the first business year, April 30, 1929, the association had paid-up capital of \$10,975, in shares of \$25 each. The average member had invested only the amount of one share. There was an investment in warehouse equipment of \$3,393. The greater part of the financing was done by bankers who advanced money on the fish ready for shipment. It is expected that in a few years the association will own its own docks and steamer lines for moving the fish to railway points for further shipment toward the consuming markets in Canada and the United States.

PRODUCERS' TOBACCO WAREHOUSING ASSOCIATION

Three hundred farmers in the vicinity of Weston, Mo., are the stockholders of the Missouri District Warehousing Corporation, an association for operating a warehouse for use as a loose-leaf tobacco market in connection with the Burley Tobacco Grower Cooperative Association of Lexington, Ky. The warehouse association was formed in 1923 and now has real estate and equipment valued at \$67,867. The total liabilities consist of capital stock to the amount of \$59,552, and earnings, reserve and surplus of \$10,244. Originally there was preferred stock but this was retired during the first four years of operation. In the last marketing season the warehouse handled 2,250,000 pounds of tobacco.

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LOWER FREIGHT RATES ON WASHINGTON EGGS

For some time the Washington Cooperative Egg and Poultry Association, Seattle, has been negotiating with railroad officials in regard to lower freight rates on eggs sent to eastern markets. About one year ago the rate from the Pacific Coast to Chicago was reduced 35 cents per 100 pounds, or a little more than 18½ cents per case. Further efforts have now brought about a rate of \$2.25 per 100 pounds to the Atlantic seaboard and intermediate points, with a minimum weight of 30,000 pounds, effective December 1, 1929. This will mean a saving to the membership of 35 cents per 100 pounds or 18.55 cents per case, a little more than one-half cent per dozen. On the basis of the number of cars shipped last year, this will mean a saving of \$135,000.

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WALNUT GROWERS RECEIVE GOOD SHARE OF SALES

Members of the Saticoy Walnut Growers' Association, Saticoy, Calif., delivered 10,411,751 pounds of 1927 walnuts to their association and 6,003,975 pounds of the 1928 crop. During the former season the association sold nuts to the value of \$1,375,065, of which the growers received \$1,255,943. A portion of the 1927 crop was carried over into the 1928-29 season and sold for \$339,195. Growers received \$330,690, or 97.5 per cent of the proceeds of the carry over. Sales of 1928 walnuts amounted to \$1,340,035, making the total sales for the year \$1,679,230. On their 1928 deliveries the members of the association received \$1,258,465, or 93.9 per cent of sales.

This association, organized in August, 1896, is a local of the California Walnut Growers' Association, Los Angeles. Besides handling walnuts grown by members, the association buys certain lines of supplies. Early in 1928 the members numbered 122.

REPORTED BY THE ASSOCIATIONS

Representatives of the Indiana Farm Bureau Federation are conducting a series of cooperative marketing schools. This work has already started in 10 counties "with gratifying enrollment and keen interest." Plans are being made to extend the schools into 20 counties of the state this season.

The tonnage of the Florida Citrus Exchange, Tampa, was increased by about 750,000 boxes recently when a large citrus corporation with an affiliated association signed the contract which made it a sub-exchange at large. This corporation operates six packing houses valued at more than \$250,000. All these houses will continue to operate.

Forty per cent more eggs were handled by the Manitoba Cooperative Poultry Marketing Association, Ltd., Winnipeg, during the 1929 marketing season than in the preceding season. Shipments totaled 174 car loads, about 70,000 cases. There was an increase of 669 in association membership during the year, ending August 31, 1929, making the total membership on that date 12,287.

Two new by-products will soon be placed on the market by the Land O'Lakes Creameries, Inc., Minneapolis, Minn. These are casein glue and casein whitewash. The casein whitewash has adhesive qualities which prevent its washing off as ordinary whitewash does. Creameries around the Twin Cities are installing machinery to separate skim milk into whey and curd and are shipping the green curd to the headquarters of the association in Minneapolis for manufacture into glue and whitewash.

Net surplus over total deficits for 88 farmers' grain elevators in Ohio increased 110 per cent in the four years 1924 to 1928. During that period bills payable decreased by 40 per cent, total assets increased by half a million dollars, and stockholders' equities in the total assets increased. These and other figures indicate that the farmers' elevators which suffered heavily during the depression of 1920, 1921 and 1922 are now materially improving their financial status.

Every year the Michigan Farm Bureau Federation, Lansing, undertakes to have a portion of the wool pooled by its members manufactured into blankets according to the specifications of the buyers. Approximately 1,000 of these blankets, ordered during May, have recently been packed and shipped to the buyers. When ready for mailing the packages made eight truck loads, and each truck carried a large sign stating that this was one of eight loads of Farm Bureau blankets mailed to summer-sale buyers. Seven types of blankets are now offered for the winter sale.

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